



**4310-DN**

**DEPARTMENT OF THE INTERIOR**

**Bureau of Land Management**

**[LLMT921000-17X-L51100000.GA0000-LVEME17CE530; NDM 107039; MO# 4500107901]**

**Competitive Coal Lease Sale, North Dakota**

**AGENCY:** Bureau of Land Management, Interior.

**ACTION:** Notice of coal lease sale.

**SUMMARY:** Notice is hereby given that the coal resources in the lands described below in McLean County, North Dakota, will be offered for competitive lease by sealed bid in accordance with the provisions of the Mineral Leasing Act of 1920, as amended.

**DATES:** The lease sale will be held at 11 a.m. on October 17, 2017. Sealed bids must be submitted on or before 10 a.m. on October 17, 2017.

**ADDRESSES:** The lease sale will be held in the 920 Conference Room of the Bureau of Land Management (BLM) Montana-Dakotas State Office, 5001 Southgate Drive, Billings, Montana 59101-4669. The Detailed Statement of Lease Sale, the proposed coal lease, and Casefile NDM 107039 are available at this address. Sealed bids must be submitted to the Cashier, BLM Montana-Dakotas State Office, at this same address.

**FOR FURTHER INFORMATION CONTACT:** Greg Fesko by telephone at 406-896-5080 or by email at [gfesko@blm.gov](mailto:gfesko@blm.gov); or Connie Schaff by telephone at 406-896-5060 or by email at [cschaff@blm.gov](mailto:cschaff@blm.gov). Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1-800-877-8339 to contact the above individual during normal business hours. The FRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply

during normal business hours.

**SUPPLEMENTARY INFORMATION:** This sale is being held in response to a Lease by Application (LBA) filed by the Falkirk Mining Company. The Federal coal resource to be offered consists of the Federal 50 percent interest in the mineable lignite coal in the following described lands:

T 146 N., R. 82 W., 5<sup>th</sup> P.M.

Sec. 10: E<sup>1</sup>/<sub>2</sub>.

The 320-acre tract, located in McLean County, North Dakota, contains an estimated 2.2 million tons of Federal in-place coal resources. The tract contains two mineable coal beds, the Hagel A and Hagel B beds. The Hagel A bed averages 7.6 feet in thickness with an average overburden depth of 89 feet, and the Hagel B bed averages 3.7 feet in thickness with an average interburden thickness of 36 feet. The coal quality for the Hagel A and Hagel B beds combined averages 6,320 BTU's per pound in heating value, 7.7 percent ash, and 0.59 percent sulfur content.

The tract will be leased to the qualified bidder of the highest cash amount, provided that the high bid meets or exceeds the BLM's estimate of the fair-market value of the tract. The minimum bid for the tract is \$100 per acre or fraction thereof. The minimum bid is not intended to represent fair market value. The fair-market value will be determined by the authorized officer after the sale.

The sealed bids should be sent by certified mail, return-receipt requested, or be hand delivered to the Cashier, BLM Montana-Dakotas State Office, at the address given above and clearly marked "Sealed Bid for NDM 107039 Coal Sale – Not to be opened before 11 a.m. October 17, 2017." The cashier will issue a receipt for each hand-delivered bid. Bids received after 10 a.m. will not

be considered. If identical high bids are received, the tying high bidders will be requested to submit follow-up sealed bids until a high bid is received. All tie-breaking sealed bids must be submitted within 15 minutes following the sale official's announcement at the sale that identical high bids have been received. Prior to lease issuance, the high bidder, if other than the applicant, must pay to the BLM the cost-recovery fees in the amount of \$121,806 in addition to all processing costs the BLM incurs after the date of this sale notice (43 CFR 3473.2).

A lease issued as a result of this offering will provide for payment of an annual rental of \$3 per acre, or fraction thereof, and a royalty payable to the United States of 12.5 percent of the value of coal mined by surface methods and 8 percent of the value of coal mined by underground methods. Bidding instructions for the tract offered and the terms and conditions of the proposed coal lease are included in the Detailed Statement of Lease Sale. Copies of the statement and the proposed coal lease are available at the Montana-Dakotas State Office. Casefile NDM 107039 is also available for public inspection at the Montana-Dakotas State Office.

(Authority: 43 CFR 3422.3-2)

Richard M. Hotaling

Acting Associate State Director

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